## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

in the ividuce of		
Bridging the Digital Divide for Low-Income Consumers	)	WC Docket No. 17-287
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197

In the Motter of

#### COMMENTS OF THE BLACK WOMEN'S ROUNDTABLE

The Black Women's Roundtable ("BWR")<sup>1</sup> respectfully submits these Comments to the Federal Communications Commission (Commission) in the proceedings captioned above.<sup>2</sup> The BWR advocates for just and equitable public policy for Black women. The BWR represents a significant number of Black women who, despite significant attainments in higher education<sup>3</sup>

<sup>1</sup> The Black Women's Roundtable (BWR) is a program of The National Coalition on Black Civic Participation. The BWR is an intergenerational civic engagement network that advocates for just and equitable public policy that promotes the health and wellness, economic security, education and global empowerment of Black women.

<sup>&</sup>lt;sup>2</sup> Bridging the Digital Divide for Low-Income Consumers, WC Docket No. 17-287; Lifeline Link Up Reform and Modernization, WC Docket No. 11-42; Telecommunications Carriers Eligible for Universal Service Support, WC Docket No. 09-197 (release December 1, 2017).

<sup>3</sup> National Coalition on Black Civic Participation-Black Women' Roundtable, *Black Women in the United States*, 2014: Progress and Challenges at 13 (March 2014). Available at <a href="https://www.washingtonpost.com/r/2010-2019/WashingtonPost/2014/03/27/National-Politics/Stories/2FinalBlackWomenintheUS2014.pdf">https://www.washingtonpost.com/r/2010-2019/WashingtonPost/2014/03/27/National-Politics/Stories/2FinalBlackWomenintheUS2014.pdf</a> (last visited January 14, 2018). "Though women across all racial and ethnic divisions lead their male counterparts in college enrollment and degree attainment, Black women do so at higher rates than any other group of women in America. By 2010, Black women made up fully 66% of all Blacks completing a Bachelor's Degree, 71% of those completing a Master's degree, and 65% of those completing a Doctorate's Degree."

and consistently leading all women in labor market participation;<sup>4</sup> continue to be among the lowest paid <sup>5</sup> and often in need of Lifeline services. In order to preserve low-income households' ability to obtain critically-needed Lifeline services, BWR urges the Commission: 1) to continue to permit non-facilities based carriers to participate in the Lifeline program, 2) not to impose a self-enforcing budget on the Lifeline program, and 3) expedite implementation of the National Lifeline Eligibility Verifier to eliminate waste, fraud and abuse within the Lifeline program.

# I. The Commission Should Continue to Allow Non-Facilities Based Providers to Participate in the Lifeline Program in Order to Avoid Diminishing Service Availability to Eligible Consumers

The Commission's proposal to restrict participation in the Lifeline program to facilities-based providers would drastically diminish and threaten the availability of the Lifeline program, particularly given that over 70% of Lifeline subscribers currently receive services from Lifeline ETCs that provide their services as non-facilities based resellers.<sup>6</sup> As the facilities-based Lifeline providers are relinquishing their Lifeline ETC designations because they have no incentive to

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<sup>&</sup>lt;sup>4</sup> Black Women in the Labor Force, Women's Bureau, U.S. Department of Labor (February 2016). available at <a href="https://www.dol.gov/wb/media/Black Women in the Labor Force.pdf">https://www.dol.gov/wb/media/Black Women in the Labor Force.pdf</a> (last visited January 14, 2018). "Historically, Black women have had high labor force participation rates compared to other women. In 2015, they were still more likely to be employed or actively looking for work."

<sup>5</sup> *Id.* "Black women still face a stark wage gap and are less likely to work in higher-paid occupations. 2014 Median Annual Earnings: Black women-\$33,533, Black men-\$40,719, White, non-Hispanic Women - \$41,822, White, non-Hispanic men - \$55,470."

<sup>&</sup>lt;sup>6</sup> Sorry, poor people: The FCC is coming after your broadband plans, John Brodkin, Ars Technica, (November 16, 2017) available at https://arstechnica.com/tech-policy/2017/11/sorry-poor-people-the-fcc-is-coming-after-your-broadband-plans/ (last visited February 1, 2018)

provide Lifeline services<sup>7</sup>, it has become essential for non-facilities based providers to maintain their participation in the Lifeline in order to sustain the viability of the program.

Many Black women, who are oftentimes the sole source of income for their households<sup>8</sup>, rely on the Lifeline program to stay connected to their families, employers, healthcare and social service providers, children's schools, childcare providers and 911-emergency services. Excluding non-facilities based providers from the Lifeline program would have a devastating impact on the lives of Black women by creating the unintended consequence of leaving Black women stranded with no available options to access Lifeline services in their area. The Commission's proposal to exclude non-facilities based providers from the Lifeline program would disrupt current Lifeline service and leave many Black women and other eligible consumers with few, if any choices of Lifeline providers; and may even deprive eligible consumers of Lifeline services if no facilities-based provider is willing to serve their area.

Additionally, the Commission's proposal to exclude non-facilities based providers from the Lifeline program is contrary to section 214(e)(1) of the Communications Act, which directs that a designated ETC "shall be eligible to receive universal service support in accordance with section 254 of this title and shall . . . offer the services that are supported by Federal universal service support mechanisms under section 254(c) of this title, either using its own facilities or a combination of its own facilities and resale of another carrier's services." For this reason, the

<sup>&</sup>lt;sup>7</sup> Why Telecom Carriers Are Resisting a Program for Low-Income Internet Subsidies, Aaron Pressman, Fortune (December 1, 2016) available at <a href="http://fortune.com/2016/12/01/fcc-att-verizon-lifeline-broadband/">http://fortune.com/2016/12/01/fcc-att-verizon-lifeline-broadband/</a> (last visited February 1, 2018)

<sup>&</sup>lt;sup>8</sup> Black Women in the Labor Force, Women's Bureau, U.S. Department of Labor (February 2016). Available at <a href="https://www.dol.gov/wb/media/Black Women">https://www.dol.gov/wb/media/Black Women in the Labor Force.pdf</a> (last visited January 14, 2018). "In 2014, 4 in 10 Black families with children under 18 were headed by a single working mother."

Commission is required to allow non-facilities based providers to participate in the Lifeline program.

As the Commission considers proposed reforms to the Lifeline program, the BWR urges the Commission to consider carefully the consequences that excluding non-facilities based providers from the Lifeline program will have on Black women and other consumers who rely on Lifeline services as essential to daily living. The absence of incentives for facilities-based carriers to provide Lifeline service creates a void in the Lifeline program that non-facilities based carriers have aptly filled. The Commission's facilities-based-only proposal would drastically diminish the effectiveness of the Lifeline program. Thus, the BWR strongly urges the Commission to continue to allow non-facilities based providers to participate in the Lifeline program in order to avoid diminishing services availability to eligible consumers.

## II. <u>In Order to Avoid Arbitrary Exclusion of Eligible Lifeline Consumers, the Commission Should Not Impose a Self-Enforcing Budget</u>

The BWR urges the Commission not to adopt the proposed self-enforcing budget on the Lifeline program because the budget cap is arbitrary and lacks specificity. The Commission has not provided details about how the proposed self-enforcing budget cap would operate other than to state that the Universal Service Administrative Company (USAC) would forecast Lifeline disbursements during a defined period and if the projected disbursements are expected to exceed the cap, the disbursements would be proportionately reduced. This arbitrary budget mechanism would inevitably result in depriving eligible consumers of Lifeline services even if funds are available for the program.

<sup>&</sup>lt;sup>9</sup> See Bridging the Digital Divide for Low-Income Consumers et al., Notice of Proposed Rulemaking, and Notice of Inquiry, 32 FCC Rcd 10475 (2017) para. 106. ("NPRM").

Implementation of the proposed "hard" budget cap would only serve to widen the divide for consumers who can least afford access to telecommunications services. This is particularly troubling considering the fact that not all eligible consumers participate in the Lifeline program.

The BWR urges the Commission not impose a self-enforcing budget or inflexible caps that would only serve to deprive eligible consumers of Lifeline services. The BWR encourages the Commission to propose a budget that, at the very least, is flexible enough to accommodate eligible Lifeline subscribers regardless of when they apply for Lifeline service during a funding period; and that the Commission set a budget for Lifeline that is no less than the disbursement levels in recent years.

## III. The Commission Should Expedite the Implementation of the National Lifeline Eligibility Verifier as an Effective Mechanism to Eliminate Waste, Fraud and Abuse

An exceptional level of scrutiny is given to the Lifeline program with regard to waste, fraud and abuse. While there have been defects in the Lifeline program, these flaws do not rise to levels described in the NPRM. For example, multiple low-income families living in one household were viewed as violating the "one Lifeline service per household" requirement when each family applied for Lifeline services. Because the Government Accountability Office (GAO) did not take into account the non-tradition living arrangements of low-income families, the 2017 GAO Report determined that these Lifeline subscribers contributed to waste, fraud and abuse of the Lifeline program.

<sup>&</sup>lt;sup>10</sup> See *NPRM*, para. 83 – 101.

<sup>&</sup>lt;sup>11</sup> Id.

<sup>&</sup>lt;sup>12</sup> GAO, Telecommunications: Additional Action Needed to Address Significant Risks in FCC's Lifeline Program, GAO-17-538, (2017) at 43. available at https://www.gao.gov/assets/690/684974.pdf (last visited February 19, 2018) "if the subscriber did not certify he or she was part of a different household from another subscriber

The BWR encourages the Commission to expedite the implementation of the National Lifeline Eligibility Verifier (National Verifier) to ensure that only qualified households participate in the Lifeline program. This will eliminate the confusion, inconsistency and unreliability that has accompanied verification methods used in the past. The BWR encourages the Commission to take measures to curtail waste, fraud and abuse in the Lifeline program. It is for this reason that we urge the Commission to expeditiously deploy the National Verifier as an effective mechanism to eliminate waste, fraud and abuse.

### IV. Conclusion

The Lifeline program has been tremendously effective in providing affordable telecommunications services to eligible consumers and narrowing the digital divide. In order to ensure that the Lifeline program continues to provide all eligible consumers with the opportunities that access to telecommunications and broadband services can provide, the Commission should make efforts to maintain and increase, not diminish, the program's providers, budget and eligible subscribers. It is for these reasons that the BWR urges the Commission to 1) to continue to permit non-facilities based carriers to participate in the Lifeline program, 2) not to impose a "hard" self-enforcing budget on the Lifeline program, and 3) expedite implementation of the National Lifeline Eligibility Verifier to eliminate waste, fraud and abuse within the Lifeline program.

### Respectfully submitted,

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